AMENDED IN ASSEMBLY MARCH 31, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 704

Introduced by Assembly Member Ma

February 17, 2011

An act to—amend Section 21626 of add Section 21645.1 to the Business and Professions Code, relating to secondhand goods.

LEGISLATIVE COUNSEL'S DIGEST

AB 704, as amended, Ma. Secondhand goods.

Existing law provides for the regulation of secondhand dealers, as defined, and makes it unlawful for a person to engage in the business of a secondhand dealer without a license issued by the chief of police, the sheriff, or, where appropriate, the police commission. Existing law makes it a crime, punishable by specified fines or imprisonment, or both, if a person knowingly violates the provisions regulating secondhand dealers. Existing law authorizes the district attorney or the Attorney General to bring an action to enjoin a violation or threatened violation of the provisions regulating secondhand dealers.

This bill would require a person conducting business as a secondhand dealer to provide a valid secondhand dealer's license to any peace officer upon demand.

Because a knowing violation of the bill's provisions by a person engaging in the business of a secondhand dealer would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

AB 704 — 2 —

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This bill would provide that no reimbursement is required by this act for a specified reason.

Existing law defines the terms "secondhand dealer" and "coin dealer" for the purpose of the laws regulating pawnbrokers, secondhand dealers, and coin dealers.

This bill would make nonsubstantive changes to these provisions.

Vote: majority. Appropriation: no. Fiscal committee: no-yes. State-mandated local program: no-yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 21645.1 is added to the Business and 2 Professions Code, to read:

21645.1. A person conducting business as a secondhand dealer, as defined in Section 21626, shall provide a valid license issued under this article to any peace officer upon demand.

6 SEC. 2. No reimbursement is required by this act pursuant to 7 Section 6 of Article XIII B of the California Constitution because 8 the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or 10 infraction, eliminates a crime or infraction, or changes the penalty 11 for a crime or infraction, within the meaning of Section 17556 of 12 the Government Code, or changes the definition of a crime within 13 the meaning of Section 6 of Article XIIIB of the California 14 Constitution.

SECTION 1. Section 21626 of the Business and Professions Code, as amended by Section 15 of Chapter 178 of the Statutes of 2010, is amended to read:

21626. (a) As used in this article, "secondhand dealer" means and includes any person, copartnership, firm, or corporation whose business includes buying, selling, trading, taking in pawn, accepting for sale on consignment, accepting for auctioning, or auctioning secondhand tangible personal property. A "secondhand dealer" does not include a "coin dealer" or participants at gun shows or events, as defined in Section 478.100 of Title 27 of the Code of Federal Regulations, or its successor, who are not required to be licensed pursuant to Sections 26700 to 26915, inclusive, of the Penal Code, who are acting in compliance with the requirements of Sections 26500 to 26585, inclusive, and 27545 of the Penal

3 AB 704

- 1 Code, and who are not a "Gun Show Trader," as described in 2 Sections 16620 and 26525 of the Penal Code.
- 3 (b) As used in this section, a "coin dealer" means any person,
- 4 firm, partnership, or corporation whose principal business is the
- 5 buying, selling, and trading of coins, monetized bullion, or
- 6 commercial grade ingots of gold, or silver, or other precious metals.